EXHIBIT
A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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GEOFFREY OSBERG :

On behalf of himself and on behalf of all others similarly situated, :

Plaintiff, : **Case No.: 07 CV 1358 (KBF)**

- against - :

FOOT LOCKER, INC., :

FOOT LOCKER RETIREMENT PLAN, :

Defendants. :

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SUPPLEMENT TO EXPERT REPORT OF LAWRENCE DEUTSCH, E.A.

After reviewing Mr. Sher's rebuttal report, I wish to modify my calculations in four respects. Three updated spreadsheets reflect these modifications: (1) Conversion Table – Supplement; (2) Understated Amounts – Sec. 4B – Supplement; and (3) Corrected Payments – Damages – Sec. 7 – Supplement.

1. 2009 417(e) interest rates

For 2009, I should have used as the 417(e) interest rates the rate based upon the spot rate instead of the 24 month average of the segment rates. Thus, the line in the chart illustrating unpaid pay credits for participants who received a lump sum on page 34 of my opening report (as supplemented on May 22), for participants paid during 2009 should read as follows:

	Number with no increase in benefit since 1/1/96	Number with some increase	Total pay credits (with interest) with no increase in benefit	Total pay credits (with interest) not paid for those with some increase in benefits	Total Pay Credits not paid
Old Values	0	49	$0	$583,361	$583,361
New Values	9	40	$121,057	$724,198	$845,255
Change	+9	-9	+$121,057	+$140,837	+$261,894

This change would change the line in the chart illustrating unpaid pay credits for participants who received an annuity on page 35, for participants whose payment commenced during 2009 as follows:

	Number with no increase in benefit since 1/1/96	Number with some increase	Total monthly benefits as a straight life annuity attributable to pay credits that was not paid for those with no increase in benefit	Total monthly benefits as a straight life annuity attributable to pay credits that was not paid for those with some increase in benefit	Total monthly benefits not paid
Old Value	1	6	$5	$3,430	$3,435
New Value	1	6	$4	$3,337	$3,341
Change	0	0	-$1	-$93	-$94

2. 1999 Pay Credits

I agree that the data Defendants provided is such that the 1999 pay credits should have not have been relied upon, and, as such, should have been calculated. When I do so, my calculations match Mr. Sher's spreadsheet calculations. This change means the total in the chart illustrating unpaid pay credits for participants who received a lump sum on page 34 should read as follows:

	Number with no increase in benefit since 1/1/96	Number with some increase	Total pay credits (with interest) with no increase in benefit	Total pay credits (with interest) not paid for those with some increase in benefits	Total Pay Credits not paid
Old Values	8,319	4,593	$17,157,885	$27,802,874	$44,960,759
New Values	8,287	4,625	$17,568,164	$28,216,045	$45,784,209
Change	-32	+32	+$410,279	+$413,171	+$823,449

This also changes the total in the chart illustrating unpaid pay credits for participants who received annuities on page 35 as follows:

	Number with no increase in benefit since 1/1/96	Number with some increase	Total monthly benefits as a straight life annuity attributable to pay credits that was not paid for those with no increase in benefit	Total monthly benefits as a straight life annuity attributable to pay credits that was not paid for those with some increase in benefit	Total monthly benefits not paid
Old Value	385	56	$34,634	$18,693	$53,327
New Value	384	57	$34,734	$19,806	$54,450
Change	-1	+1	+$100	+$1,113	+1,213

3. Corrected initial account balance: partial year's interest

When determining the corrected initial account balance, I should have adjusted the participants who were under age 65 for a partial year's interest rather than participants over age 65. Reflecting this change, the totals shown in the table on page 45 should read as follows:

	Count	Underpayment as of payment date (or 1/1/2010 if not paid)	Underpayment with interest to 1/1/2013
Old Value	15,966	$123,557,008	$254,398,938
New Value	15,966	$116,637,056	$239,882,538
Change	0	-$6,919,952	-$14,516,400

In addition, the underpaid account balances for participants paid annuities decreases from $5,646,059 to $4,909,873, for a reduction of $736,186 prior to interest and from $12,504,612 to $10,731,183, for a reduction of $1,773,429 after interest.

4. Damage determinations for participants receiving their frozen accrued benefits

I also agree that for participants receiving their frozen accrued benefits, the determination of their damages should be based on the benefit they would have received under an A+B conversion compared to the actual benefit they were paid instead of looking only at the increase in their initial account balances under an A+B conversion. Reflecting this change (and all of the other changes), the totals shown in the table on page 45 should read as follows:

	Count	Underpayment as of payment date (or 1/1/2010 if not paid)	Underpayment with interest to 1/1/2013
Old Value	15,966	$123,557,008	$254,398,938
New Value	15,966	$113,780,377	$234,266,935
Change	0	-$9,776,631	-$20,132,003

5. Typographical error

The final paragraph on page 48 of my original report contained a typographical error -- the omission of the word "not" -- that should be corrected for avoidance of doubt. The paragraph in question should read:

In September 1995, Foot Locker projected that it would be required to contribute about $44.7 million to the Plan in the company's 1996 fiscal year. FL-OSB 009848. Had the company satisfied $28.6 million of this obligation by using $28.6 million worth of employer stock instead of cash, Foot Locker would have been able to save $28.6 million of cash in 1996, a far greater amount than the $2.1 projected cash savings in 1996 from the cash balance conversion. Foot Locker did not appear to have qualms about using company stock to fund its retirement plans: the Benefits Department proposed, and management approved, using company stock to fund the company's matching contribution under the new 401(k) plan unveiled in 1996. The primary reason, according to Mr. Hilpert's testimony: to preserve cash. Hilpert 3/8/12 Tr. 94-95.

* * *

In my opinion, this report conforms to generally accepted actuarial principles and practices, and is in compliance with applicable Actuarial Standards of Practice.

I hereby declare under penalty of perjury under the law of the United States of America that this report is true and correct.

Lawrence Deutsch, E.A.
Dated: June 23, 2012